# DOUKHOBORS OF CANADA C.C.U.B. TRUST FUND BOARD

## FINANCIAL STATEMENTS

## For the Year Ended May 31, 2004

**Provincial Auditor Saskatchewan**

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105-00258/

## AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Doukhobors of Canada C.C.U.B. Trust Fund Board as at May 31, 2004 and the statement of operations and unrestricted net assets for the year then ended. The Board's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at May 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
August 26, 2004

Fred Wendel, CMA, CA
Provincial Auditor

## DOUKHOBORS OF CANADA C.C.U.B. TRUST FUND BOARD
## STATEMENT OF FINANCIAL POSITION
**As at May 31**

| | 2004 | 2003 |
|---|---|---|
| **ASSETS** | | |
| Current: | | |
| Cash and cash equivalents | $ 7,532 | $ 11,100 |
| Accrued interest receivable | 8,870 | 9,751 |
| | 16,402 | 20,851 |
| Investments (Schedule 1) | 288,860 | 286,374 |
| | $ 305,262 | $ 307,225 |
| **LIABILITIES AND NET ASSETS** | | |
| Liabilities: | | |
| Accounts payable | $ 804 | $ 656 |
| Net assets: | | |
| Restricted (Note 3) | 267,500 | 267,500 |
| Unrestricted (Statement 2) | 36,958 | 39,069 |
| | 304,458 | 306,569 |
| | $ 305,262 | $ 307,225 |

(See accompanying notes to the financial statements)

Statement 2

## DOUKHOBORS OF CANADA C.C.U.B. TRUST FUND BOARD
## STATEMENT OF OPERATIONS AND UNRESTRICTED NET ASSETS
### For theYear Ended May 31

| | 2004 | 2003 |
|---|---|---|
| **REVENUES** | | |
| Investment interest | $ 15,986 | $ 18,546 |
| **EXPENSES** | | |
| Grants | 12,678 | 11,858 |
| Board expense | 4,540 | 2,309 |
| Administration expense | 879 | 656 |
| Total expenses | 18,097 | 14,823 |
| (Deficiency) excess of revenues over expenses | (2,111) | 3,723 |
| Unrestricted net assets, beginning of year | 39,069 | 35,346 |
| Unrestricted net assets, end of year - to Statement 1 | $ 36,958 | $ 39,069 |

(See accompanying notes to the financial statements)

**DOUKHOBORS OF CANADA C.C.U.B. TRUST FUND BOARD**
**NOTES TO THE FINANCIAL STATEMENTS**
**May 31, 2004**

## 1. Purpose of the Organization

The Doukhobors of Canada C.C.U.B. Trust Fund Board was incorporated under *The Doukhobors of Canada C.C.U.B. Trust Fund Act*. This Act came into force by proclamation of the Lieutenant Governor on June 29, 1980. On June 3, 1982, by Order in Council #882, the Lieutenant Governor in Council appointed a chairman and a vice-chairman of the Board, and the Board commenced operations.

The purpose of the Board is to administer the Doukhobors of Canada C.C.U.B. Trust Fund and to make grants from this Fund to recognized non-profit organizations which are dedicated to establishing and maintaining the heritage and culture of the Doukhobors of Canada.

## 2. Significant Accounting Policies

The financial statements are prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

a) Investments

Investments are recorded at amortized cost. Premiums/discounts are amortized over the term of the investment. Where there has been a loss in value of an investment that is other than a temporary decline, the investment is written down to recognize the loss.

b) Grants

Grants are recorded as expenses when approved by the Board. Should any grants remain unpaid at the year end, they are reflected as a liability on the statement of financial position.

## 3. Restricted Net Assets

The Fund was initially created from surplus funds arising out of the liquidation of assets of the C.C.U.B. Ltd. in the amount of $222,078 plus interest of $45,422 totalling $267,500. According to *The Doukhobors of Canada C.C.U.B. Trust Fund Act,* only the investment income on this $267,500 will be made available for expenses by the Board.

## 4. Financial Instruments

a) Significant terms and conditions

There are no significant terms and conditions related to cash and cash equivalents, accrued interest receivable or accounts payable that may affect the amount, timing and certainty of future cash flows. Significant terms and conditions for the other financial instruments are disclosed separately in these financial statements.

b) Credit risk

The Board invests in bonds and debentures that are either government-backed or covered by the Canadian Deposit Insurance Corporation. In addition, investments are made in accordance with *The Pension Benefits Standards Regulations, 1985*.

c) Fair value

The carrying amounts of these financial instruments approximate fair value due to their immediate or short-term nature:

- cash and cash equivalents
- accrued interest receivable; and
- accounts payable.

## 5. Cash Flow Statement

A cash flow statement has not been presented since the cash flow information is readily apparent from the other financial statements.

**Schedule 1**

## DOUKHOBORS OF CANADA C.C.U.B. TRUST FUND BOARD
## SCHEDULE OF INVESTMENTS
## As at May 31, 2004

| Description | Interest Rate | Maturity Date | Cost |
|---|---|---|---|
| Province of Alberta | 6.375% | Jun 01/04 | $ 51,000 |
| Saskatchewan Savings Bond Series 9 | 5.750% | Jul 15/05 | 48,400 |
| National Bank of Canada | 4.400% | Mar 17/08 | 47,000 |
| Canadian Western Bank - GIC | 3.375% | Dec 12/05 | 45,000 |
| Sunlife Savings & Mortgage | 5.750% | Jul 16/04 | 40,000 |
| Farm Credit Canada | 6.500% | Jun 15/04 | 40,000 |
| TD Canada Trust - 1+1 GIC | 3.500% | Aug 08/04 | 10,223 |
| Kamsack Credit Union - Long-term deposit | 3.300% | Aug 15/05 | 5,000 |
| TD Canada Trust - 1+1 GIC | 2.600% | Aug 11/04 | 2,237 |
| | | | $ 288,860 |

The market value of the investments at May 31, 2004 was $ 290,118.